

**CALIFORNIA WORKFORCE INVESTMENT BOARD**  
**September 19, 2002**

**MEETING SUMMARY**

On September 19, 2002, the California Workforce Investment Board (State Board) convened at the Hyatt Hotel near the San Jose Airport. The following persons were in attendance:

**Board Members**

Chris Essel, Vice Chair  
Bob Balgenorth  
Ken Burt  
Mary Edington  
Victor Franco  
Elizabeth Freeman  
Scott Hauge  
Mary Hernandez (designee for Steve Smith)  
Karen Humphrey (designee for Delaine Eastin)  
Jorge Jackson (designee for Maria Contreras-Sweet)  
Sukhee Kang  
Kirk Lindsey  
Sean MacNeil (designee for Patricia Wiggins)  
Richard Mendlen  
Kathleen Milnes  
Upezi Mtambuzi (designee for Isaiah Turner)  
Patti Nunn (designee for Miguel Pulido)  
Pete Parra  
Ron Selge (designee for Tom Nussbaum)  
Elizabeth Plott Tyler (participated by conference call)  
David Villarino (designee for Arturo Rodriguez)  
Jan Vogel (designee for Jerome Horton)  
Don Whitaker  
Pat Wise (designee for Art Pulaski)  
Thomas Zenty

**Staff Members**

Paul Gussman, Deputy Director  
Jane Canty  
Megan Juring  
Dave Mar  
David Militzer  
Windie Scott, Legal Counsel

**Welcome and Opening Remarks**

Vice Chair Chris Essel called the meeting to order and welcomed everyone. She noted that Chair Larry Gottlieb was unable to attend due to other business demands.

Ms. Essel stated the State Board would be acting as a committee of the whole until a quorum was present.

Ms. Essel stated that she and Deputy Director Paul Gussman attended a National Governors

Association conference for workforce investment board chairs and executive directors in Chicago in August. She commented the conference was very interesting because it provided an opportunity to learn about what other states are doing. In addition, she noted, the State Board has been participating in a coalition of several large states, and that effort will be continuing.

Ms. Essel reported that Governor Davis appointed Steve Smith as the Acting Secretary of the new Labor and Workforce Development Agency. She added that she was very excited to see workforce development issues being assigned such a high priority in California.

Mr. Gussman drew attention to the progress made by the various State Board workgroups since the last meeting. He announced that the Youth Council Institute would be receiving an award from the National Association of State Workforce Agencies at their meeting in Kansas City the following week. He commended the Youth Council Institute for this achievement and noted the California Workforce Investment Board is taking a leadership role nationally in the area of youth development.

### **WorkSource California Presentation**

Ms. Kathleen Milnes introduced Dr. Dennis Neder, Los Angeles County Workforce Investment Board, and Mr. Geraldo Rodriguez, Business Services and Marketing Division, Los Angeles WIB, and invited them to discuss WorkSource California, a regional collaborative formed to market and publicize workforce development activities in the Los Angeles area.

Mr. Rodriguez explained that WorkSource California originated in roundtable discussions among eight workforce investment boards in Los Angeles County. Joining with the Los Angeles County Economic Development Corporation, the Department of Public Social Services, and the Employment Development Department, the group developed a coalition to build a unified system and create a recognized brand.

Dr. Neder noted one of the key initial activities of WorkSource California was collaborative marketing to increase awareness of the workforce development system and streamline the utilization process for employers and job seekers in the area. By establishing a uniform image, quality control system, business services, and certification, the resulting system was both customer-driven and easy for businesses to use.

Mr. Rodriguez said WorkSource California hired a marketing firm from Washington, D.C., to help identify local needs and then create a single logo that could be used by all regional partners and tied in with local marketing efforts. Dr. Neder noted the initial marketing campaign provided one phone number for business customers and one phone number for job seekers, with calls referred to local One-Stop centers and service providers. He said the campaign utilized billboards, phone kiosks, and prime-time radio ads. After the first three months, awareness of WorkSource California went from zero to 11 percent, for both business customers and job seekers.

Dr. Neder stated that WorkSource California's marketing budget for next year is 75 percent focused on business marketing and 25 percent on job seekers. WorkSource California will be taking the initiative in contacting local businesses and human resource professionals. At the same time, collaborative partners will be measuring and tracking their results so specific marketing needs can be identified and targeted. Dr. Neder added that WorkSource California's business services model can be used and replicated by other regions throughout the state and nation.

Ms. Patti Nunn asked what the total cost of WorkSource California had been so far. Dr. Neder

responded that the marketing program's budget for last year was \$2.4 million. He said this year's budget is \$2 million, of which the county provided \$1.4 million.

State Board members asked questions about the call center referral process, relationships with other local and regional organizations, the marketing firm, the availability of materials in languages other than English, services for youth, and customer follow-up.

Ms. Essel thanked Dr. Neder and Mr. Rodriguez for their presentation. She encouraged State Board members to engage in further discussion with the speakers during the lunch session.

#### **Approval of May 30, 2002 Board Meeting Minutes**

Noting a quorum was present, Ms. Essel suggested taking action to approve the May 30 meeting minutes.

Ms. Nunn made a motion, seconded by Mr. Victor Franco, to approve the minutes of the May 30, 2002, Board meeting as presented.

Mr. Tom Zenty asked for clarification of the performance measures described on Page 4. Mr. Dave Mar explained that local workforce investment areas will be expected to achieve 80 percent performance on nine of eleven performance measures identified by the State Board.

Mr. Zenty asked how long the local WIB recertification policy would be in effect. Mr. Mar responded that the policy will remain in effect until the next WIA reauthorization. Ms. Nunn added that WIA is up for reauthorization this year, so the policy will remain in place until June 30, 2003, at which time the Board will revisit the issue.

The motion was carried unanimously.

#### **Consideration and Approval of Certification Process for One-Stops**

Ms. Milnes drew attention to the three action items in the meeting packet pertaining to One-Stop certification. She noted the One-Stop Certification Workgroup has been working on a process to develop State-level One-Stop certification protocols. Ms. Milnes noted the workgroup will come back to the State Board at the December meeting with further refinements.

In terms of standards, Ms. Milnes said, the committee recommends a two-tiered approach, whereby the State Board will certify local One-Stop systems, and Local Boards will certify One-Stop sites within their areas. She referred to the action item summarized on Page 14 of the meeting packet.

Ms. Milnes noted the second action item, shown on Page 17, deals with validation. For incentives, Ms. Milnes said, the committee is looking at building value for local areas to participate by building in recognition issues and possible financial rewards. She drew attention to the action item summarized on Page 19.

Mr. Kirk Lindsey made a motion, seconded by Mr. Jan Vogel, to approve the three action items.

Mr. Franco asked about repercussions for One-Stop systems that do not participate in the voluntary certification program. Mr. David Militzer said participating systems will benefit because the certification program will promote a coherent level of quality throughout the state. Participation will help define what businesses and job seekers can expect from One-Stops, and marketing efforts and service referrals can also be better coordinated.

Ms. Jane Canty emphasized that the State-level certification process is strictly voluntary, and no negative actions can be taken to force participation. She said the only down side for local areas choosing not to participate would be that they would not be eligible to participate in the state's recognition campaign. She added that non-participation would not affect One-Stop funding.

Mr. David Villarino asked if local WIB members had participated in helping to develop the State Board's certification policies. Ms. Milnes said the committee included members from local boards and local area service providers.

Mr. Zenty asked whether the State Board would be involved in reviewing certification criteria. Ms. Canty replied that the One-Stop Certification Workgroup developed a 17-page document on potential elements or standards for the state's certification of local areas, and that document will be coming to the State Board for review and approval at the December meeting. Ms. Milnes clarified that local areas will be responsible for certifying their own One-Stop sites, and the State Board will not be involved in that process.

Mr. Scott Hauge observed that although local WIB staff members are participating in the policy development process, there should be more representatives from local boards. He urged the staff to continue their efforts to disseminate information to board members and encourage their participation.

Ms. Essel welcomed comments from interested members of the public.

Ms. Pat Unangst, Carson-Lomita-Torrance Workforce Investment Network Board, expressed concern that the items in the packet do not include business results, an important element of the nationally recognized Baldrige criteria. She recommended using the seven Baldrige elements, including business results and strategic planning, as a basis for the certification standards. Ms. Unangst offered her assistance in that effort.

Ms. Milnes clarified that the action item before the Board does not call for adoption of any specific elements, but only approval of the concept. She emphasized that approval does not preclude further refinement of the elements. She encouraged Ms. Unangst and other interested parties to participate in the process as it continues to move forward.

Mr. Bruce Stenslie, Ventura County Workforce Investment Board, noted the One-Stop Certification Workgroup had not discussed or review the materials being proposed. He emphasized the importance of moving beyond compliance and creating a program that celebrates and rewards achievement and excellence. He recommended using the Baldrige criteria and that the full elements the workgroup has been developing would be considered.

Ms. Cynthia Amador, CHARO Community Development Corporation, expressed concern that the local standards in the City of Los Angeles do not include business results. She noted that emphasizing placements and entered employment rates do not accurately reflect the value and cost-effectiveness of provider programs.

Mr. Lindsey clarified that the motion was only to authorize a One-Stop certification system with multiple criteria and it did not encompass standard elements. He encouraged the One-Stop Certification workgroup to look at the Baldrige criteria. He also recommended that the items go back to the workgroup for further review and refinement.

Mr. Pete Parra commented that it would be helpful to have information on what other states are doing as far as One-Stop certification programs. Ms. Canty offered to provide that information at the next meeting.

The motion was carried (all were in favor except Mr. Franco).

### **Bay Area Works Presentation**

Mr. Scott Hauge explained that Bay Area Works is a nine-county, employer-driven collaboration formed for the purpose of strengthening linkages between businesses and One-Stops. He introduced Ms. Sunne Wright McPeak, co-chair, Bay Area Works Steering Committee, and invited her to make a presentation about this innovative partnership.

Ms. McPeak introduced some of the other partners in Bay Area Works: Ms. Rita Sklar, Executive Officer; Ms. Carol Watson, United Way of the Bay Area; Mr. Ed Schoenberger, Northern California Council for the community; and Ms. Corey Kidwell, Bay Area Information Technology Consortium. She also acknowledged people from participating local workforce investment boards: Mr. Mike Curran, NOVA; Ms. Linda Chandler, Contra Costa County; Ms. Rosario Flores, Alameda County; and Ms. Mary Belz, San Mateo County.

Ms. McPeak stated that Bay Area Works is a regional partnership formed for the purpose of bringing unemployed and underemployed people into the workforce to meet the needs of local employers. She noted employers in the nine Bay Area counties share a single workforce, so it made sense for the business community, education, governmental agencies, and service providers to work together. The goals of Bay Area Works are to find good-paying career pathway jobs for employees; strengthen linkages between employers and the workforce development system; and to improve employer access to qualified workers. Ms. McPeak observed that the end result of Bay Area Works is a well-coordinated one-stop regional system.

Ms. McPeak commented that Bay Area Works is currently targeting four industry clusters: healthcare, construction, information technology and small business. The collaborative reaches out especially to small and medium-size employers and connects them with employees in the 52 poorest neighborhoods in the region. Ms. McPeak noted the results and impacts of Bay Area Works will be an increased number of qualified employees in the targeted industry groups, an increased number of effective services for small and medium-sized companies, an increased number of applicants for available jobs, and customer satisfaction with local WIBs. Ms. McPeak added that Bay Area Works hopes to develop a long-term partnership arrangement with the California Workforce Investment Board as well. She welcomed the State Board's support and endorsement.

Mr. Lindsey asked about linkages with economic development organizations. Ms. McPeak named several economic development groups in the nine-county area that are connected with Bay Area Works. She also noted the group has been working to identify community leaders in the Bay Area's poorest neighborhoods to gain their support and help those communities work toward self-sufficiency. She said about \$130 million in equity funds has been committed for mixed-use housing projects, job development, and business development activities in those targeted neighborhoods.

Mr. Bob Balgenorth asked about linkages with the Division of Apprenticeship Standards and construction industry groups. Ms. Sklar responded that Bay Area Works has been meeting with labor unions and construction industry groups. She acknowledged that more needs to be done to link with the apprenticeship community and others.

Mr. Ken Burt recommended working with the teachers unions at the community colleges and K-12 schools. He noted many students question why they have to learn math and science, and demonstrating a connection with real-world jobs would help make their studies more meaningful and relevant.

Mr. David Villarino welcomed suggestions on how to work more effectively with community colleges. He noted an agricultural collaborative in the Central Valley encountered difficulty working with local community college representatives, although the state community college administration was very supportive. Ms. Kidwell explained that the Bay Area Information Technology Consortium was formed as a vehicle for coordinating work with the 26 community colleges in the Bay Area. She recommended establishing a single point of contact for employers to access the community college system in a particular region, and noted this approach has worked very well in the Bay Area.

Mr. Parra observed that rural areas face difficult challenges that make communication and cooperation difficult. He recommended working with the California Rural Development Council to address issues like high unemployment, poverty, and housing.

Ms. Essel commended and thanked the Bay Area Works representatives for their presentation. She pledged the State Board's support and welcomed future updates.

### **Lunch Presentation**

Ms. Essel introduced representatives from the local workforce investment area and invited them to discuss their activities.

Mr. Jack Estill, vice chair, San Jose-Silicon Valley Workforce Investment Network, reviewed some of his WIB's accomplishments in the past few years. He noted the San Jose-Silicon Valley Workforce Investment Network has been operating for two years. A new one-stop center was opened in April, serving approximately 250 customers each day. Mr. Estill noted a total of 145,000 people have received services from the three one-stop centers. He noted the San Jose-Silicon Valley Workforce Investment Network is participating in the state caregiver training initiative and was awarded a grant as part of that program. He said the WIB also completed an organization model study in 2002 and has held board retreats to provide information and training to WIB members.

Mr. Chris Donnelly added that the San Jose-Silicon Valley Workforce Investment Network is aligning its strategic plan with the State Board's plan. He expressed hope that linkages between the State Board and the local WIB will be strengthened as a result.

Ms. Clare Phillips, chair, NOVA Workforce Investment Board, explained that NOVA was a seven-city consortium formed in 1983 as a private industry council. She said NOVA has transitioned to a WIB and has a strong commitment to collaboration and partnership as a key to success.

Mr. Mike Curran, Executive Director, NOVA Workforce Investment Board, stated that NOVA has worked together with its business community and neighborhoods to use labor market information to identify where jobs are and project future needs. He reviewed a number of WIB publications, including occupational outlook reports on bioscience, software engineering, semiconductor manufacturing telecommunications, information technology, digital media and

animation, healthcare, service industries, building and construction, teaching, and engineering. He said NOVA is working on reports covering the finance industry, high-tech manufacturing, and security. In addition, NOVA has published a training directory and information on career ladders.

Ms. Essel thanked the presenters for their information. Mr. Donnelly invited all participants to visit the local One-Stop centers after the meeting.

### **Progress Report on Implementation of Board's Strategic Plan**

Ms. Essel reported that individual Board members had stepped forward to champion each of the five priority goals identified in the State Board's strategic plan. She invited Board champions to discuss their activities in implementing the five priority goals identified in the Board's strategic plan.

Ms. Milnes stated that the priority goal of information encompasses developing a sensing mechanism for employers to gather credible information on emerging industry trends and workforce needs, improving the development and use of labor market information linked to economic development, and creating a multi-faceted information dissemination strategy to stimulate and inform policy discussion and innovative training initiatives. She noted the group working on the area of information began by outlining an implementation process. In order to identify existing efforts to link information, the group has been working with the Economic Strategy Panel, identifying strategic initiatives and industries by region and finding industry intermediaries, and then working on effective ways of disseminating information.

Ms. Milnes welcomed participation from other Board members, particularly those who represent specific industry sectors.

Mr. Zenty discussed efforts to implement the Board's priority goal of innovation. He said his group hopes to create criteria for identifying best practices, establish a recognition and reward program, facilitate region-to-region reviews and information sharing, focus on best practices within certain industry clusters, develop effective ways to measure success, create a reward program, and work with existing organizations who conduct evaluations.

On behalf of Mr. Lindsey, Mr. Zenty also reported on implementation of the Board's goal of collaboration. He said Mr. Lindsey identified four primary goals. He noted the first goal is updating and broadening the focus of the five-year Workforce Development Plan. As part of that, California should establish a clearinghouse for unemployed people and research what other states are doing. A second goal is developing and implementing a federal advocacy strategy, including working with elected officials and educating them as to accomplishments of the workforce system, and then analyzing statewide priorities and waiver proposals for incorporation into the WIA reauthorization efforts. Mr. Zenty said the group's third goal is to support local WIBs, fill gaps in board composition, and improve participation in regional and industry sectors. Mr. Lindsey proposes that the staff work with the California Workforce Association and local area workgroups to better understand local area needs and develop a plan for the December Board meeting. As a long-term goal, the group hopes to identify needs of businesses that work in multiple workforce areas. Mr. Zenty noted the fourth goal of the collaboration group is improving the effectiveness of the state One-Stop system by identifying immediate marketing needs and developing a marketing plan.

Mr. Villarino commented that there are some industries, like agriculture, that are difficult to classify and confine to certain areas. He noted WIA eligibility is a particular challenge because

of the seasonality of the work, the short-term nature of some jobs, and low wages. He encouraged the innovation group to take on these kinds of issues. He noted the state has great resources, both educational and vocational, but it is difficult to use them to serve certain industries. Mr. Villarino volunteered his participation and offered to help in this effort.

As part of the discussion on collaboration, Mr. Hauge provided an update on recent activities of the Small Business Workgroup. He noted four small business forums were held throughout the state, attended by over 300 people representing over 200 small businesses. Small business employers consistently mentioned the need for greater awareness of One-Stops and the demand for employability skills. Mr. Hauge said the Small Business Workgroup, working with the California Workforce Association and the Legislature, hopes to sponsor a small business summit in the early part of next year.

Mr. Hauge noted many small business employers have complained that Employment Training Panel funds are not available for small business training projects, so a pilot project is being developed to address this need.

Ms. Pat Wise, on behalf of Mr. Art Pulaski, reported on implementing the Board's goal of achieving administrative excellence. She said the workgroup identified four key priorities: Workforce Investment Act compliance, continual improvement of Board governance and operation procedures, calendaring Board actions, and strategic planning. She discussed each area and commended the Board for its progress so far.

On behalf of Mr. Franco, Ms. Megan Juring summarized activities in the area of performance. She said this workgroup will be conducting a nationwide assessment of measurement practices to identify best incentive approaches, building capacity of local boards, setting clear performance standards, and developing clear WIA compliance policies. Ms. Juring welcomed participation from other interested Board members.

Ms. Juring noted Mr. Frank Quintero facilitated a performance intelligence workshop at a recent national LMI conference, and participants discussed performance management data systems used by other states and cities.

Ms. Essel commended the champions and their groups for their progress so far. She encouraged other interested Board members to join some of these workgroups and participate in the implementation of the Board's strategic plan goals.

### **Other Business**

Mr. Steve Malliaras, U.S. Department of Labor, emphasized the importance of working closely with the Department of Labor and Congress to come to agreement on state WIA spending figures. He noted all participants share a common goal of making sure that workforce development systems are appropriately funded by Congress. He added that the Department of Labor looks forward to continuing its close working relationship with the State Board and EDD staff as part of this process.

### **Closing Comments**

Mr. Nick Bollman, California Center for Regional Leadership, commended the California Workforce Investment Board for its accomplishments and progress since the strategic planning retreat last February. He noted the quality of the Board meeting reflects a clearer focus on goals, strategies, and priorities.



Mr. Bollman commented that the State Board's strategic plan is having a ripple effect among legislators and others throughout the state. He noted the Silicon Valley WIB is aligning its strategic plan with the State Board's, and regional intermediaries are coming forward to discuss how their efforts are consistent with the State Board's goals. Mr. Bollman added that the new Labor and Workforce Development Agency, headed by Steve Smith, is looking to the State Board for leadership in policy development. He encouraged the State Board to work closely with the Economic Strategy Panel and to consider ideas for possible legislation to carry State Board strategies forward.

Ms. Essel thanked all participants for their attendance. There being no further business, the meeting was adjourned.